

Daniel A. Frishberg  
*Pro Se*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

	)	
In re:	)	Chapter 11
	)	
CELSIUS NETWORK LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 22-10964 (MG)
	)	
Debtors.	)	(Jointly Administered)
	)	

**NOTICE<sup>2</sup> OF FILING OF DANIEL A. FRISHBERG' *EX PARTE*  
MOTION FOR SANCTIONS**

**PLEASE TAKE NOTICE** that Mr. Frishberg has filed *Daniel A. Frishberg' Ex Parte Motion For Sanctions*.

<https://www.nysb.uscourts.gov/content/chief-judge-martin-glenn>.

**PLEASE TAKE FURTHER NOTICE** that any responses or objections to the relief requested in the Motion shall: (i) be in writing; (ii) conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, and all General Orders applicable to chapter 11 cases in the United States Bankruptcy Court for the Southern District of New York; (iii) be filed electronically with the Court on the docket of *In re Celsius*

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

<sup>2</sup> I am not sure if an *Ex Parte* motion requires a notice of filing (since there is no hearing date/time), but out of caution I filed. I believe Your Honor can grant this Motion *Sua Sponte*.

*Network LLC*, No. 22-10964 (MG) by registered users of the Court's electronic filing system and in accordance with all General Orders applicable to chapter 11 cases in the United States Bankruptcy Court for the Southern District of New York (which are available on the Court's website at <http://www.nysb.uscourts.gov>); and (iv) be served so as to be actually received by October 16, 2023, at 4:00 p.m. (prevailing Eastern Time), by (a) via electronic mail at [email redacted, contact the Debtors who will handle the service if needed] (b) to the entities on the Master Service List available on the case website of the above-captioned debtors at <https://cases.stretto.com/celsius>, and (c) to any person or entity with a particularized interest in the subject matter of the Motion.

**PLEASE TAKE FURTHER NOTICE** that only those responses or objections that are timely filed, served, and received will be considered at the Hearing. Failure to file a timely objection may result in entry of a final order granting the Motion as requested by Daniel A. Frishberg.

**PLEASE TAKE FURTHER NOTICE** that copies of the Motion and other pleadings filed in these chapter 11 cases may be obtained free of charge by visiting the website of Stretto at <https://cases.stretto.com/celsius>. You may also obtain copies of the Motion and other pleadings filed in these chapter 11 cases by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

Respectfully submitted,

/s/ Daniel A. Frishberg  
Daniel A. Frishberg, *Pro Se*  
November, 8, 2023,

Daniel A. Frishberg

*Pro Se*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

	)	
In re:	)	Chapter 11
	)	
CELSIUS NETWORK LLC, <i>et al.</i> , <sup>3</sup>	)	Case No. 22-10964 (MG)
	)	
Debtors.	)	(Jointly Administered)
	)	

**DANIEL A. FRISHBERG'S EX PARTE MOTION FOR SANCTIONS**

Daniel A. Frishberg ("Mr. Frishberg") hereby submits this motion (the "Sanctions Motion") for sanctions against Mr. Otis Davis ("Mr. Davis") under FRCP Rule 11, FRCP 26<sup>4</sup>, USC 28 §1927<sup>5</sup>. In support of his Motion, Mr. Frishberg respectfully states as follows:

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<sup>3</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

<sup>4</sup> This may not be the correct rule, but Mr. Davis did seek discovery, including depositions of numerous individuals in his original "frivolous" motion. FRCP 26(g) states that "a nonfrivolous argument" must be made. It has already been found that Mr. Davis's arguments are both repetitive, and frivolous.

<sup>5</sup> Rule 1927 may not be the correct rule, but it seems close enough, since Mr. Davis is representing himself in court. Rule 1927 states: "Any attorney or other person admitted to conduct cases in any court of the United States or any Territory thereof who so multiplies the proceedings in any case unreasonably and vexatiously may be required by the court to **satisfy personally the excess costs, expenses, and attorneys' fees reasonably incurred because of such conduct**". (Emphasis added)

### **Preliminary Statement**<sup>6</sup>

While it has long been established that self representation is a fundamental right granted to everyone in the US, it is restricted in instances of frivolous, and vexatious litigants. Mr. Davis is one of those litigants. This Court has already ruled that Mr. Davis's motion was "frivolous and without legal or factual foundation". Mr. Davis has filed numerous motions (including what he intends to be a Motion for Leave to Appeal<sup>7</sup>, this Court's Order denying his past "frivolous" motion [D.R. 3891] filed at D.R. 3971), and countless purported "motions", and countless letters. **Enough is enough**. The denied motion Mr. Davis is seeking leave to appeal is a "frivolous and without legal or factual foundation", conspiracy-filled rant attacking numerous innocent parties, and making extremely serious accusations against the Court, and its employees. As I stated previously in my objection (the "**Objection**", D.R. 3886) I did not want to have to file this, and I wanted to stay out of it and allow the professionals to handle this, but the filings by Mr. Davis and his associates are simply costing the estate far too much money for me to be able to in good conscience sit back and do nothing. Enough is enough, a line in the sand has been drawn numerous times, and every time Mr. Davis has crossed it. Mr. Davis needs to be shown that his actions (which do significant harm to the estate) have consequences. Today Mr. Davis filed a frivolous motion for leave to appeal the denial of his previous frivolous motion. This new frivolous Motion should be **DENIED**, and Mr. Davis should be sanctioned.

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<sup>6</sup> Mr. Frishberg repeats, reincorporates by reference, and realleges all relevant parts of his Objection (D.R. 3886) into the relevant sections of this Motion.

<sup>7</sup> Mr. Davis purports that this Court's Order (the "**Order**") is an interlocutory order. I am not sure if he is correct, but either way his Motion is frivolous. At this point it is not clear what type of order it is, and Mr. Frishberg reserves all rights in regards to the classification of the order.

## **ARGUMENT**

It is frowned upon for lawyers (and courts) to move for sanctions (or issue sanctions) against *pro se* parties, and is only done in serious and extreme cases. This is one of those cases. Mr. Davis (who was a participant in the manipulation of the CEL token, and by his own admission attempted to influence the price of CEL in an upwards direction) has filed a Motion for leave to appeal the denial of a motion that this Court ruled to be “frivolous and without legal or factual foundation”. Your Honor can, and should issue sanctions against Mr. Davis. Potentially including monetary sanctions to at least begin to compensate the estate (and by proxy all of the defrauded creditors) for the costs of his frivolous and meritless litigation. At a minimum the sanctions should be sufficient to show Mr. Davis that he cannot continue to “exceed[] accepted bounds of appropriate behavior” and “misbehav[e] during court hearings”. As this court noted, Mr. Davis does have appellate rights, but he does **not** have the right to continue to file “repetitive” frivolous filings and waste further estate resources. His actions directly prejudice actual victims of Celsius.

Mr. Davis is currently wasting estate resources in an attempt to effectively steal money (via the manipulation of the CEL token pre-petition) from the general creditor body. His attempt seems to have failed. The true value of the CEL token is zero, or close to zero (on the date of the petition), as was testified to by Mr. Galka. Mr. Davis is throwing what can only be described as a legal temper tantrum since he did not get his way. Mr. Davis has ignored dozens of hints (of varying subtlety) from this Court, he has also ignored dozens (if not hundreds) of messages/Tweets from countless individuals attempting to tell him that his filings are frivolous and risk getting him sanctioned, and finally, and most egregiously, Mr. Davis seems to have

ignored this Courts Order (D.R 3891) stating that “Davis will either abide by the rulings and orders of this Court, subject to whatever appellate rights he may have, or his privilege of appearing on Zoom in this case will be terminated”. Mr. Davis’s right to appear on Zoom should be **TERMINATED**. Every person has a right to represent themselves in court, but no one has the right to waste enormous amounts of resources and massive amounts of time filing mountains of frivolous filings and “to throw bombs, invective, or other unfounded allegations in an effort to ....derail this case”.

Mr. Davis has bombarded (and continues to bombard) this Court with countless frivolous motions, letters and allegations, including many with a false factual basis and statements. This Court has “has bent over backwards” to allow pro se (as well as represented) parties sufficient time to be heard, and make an impact on this case. Mr. Davis

Mr. Davis also clearly, and unambiguously made his desire to (attempt to) hold the entire bankruptcy hostage so he can increase his own personal recovery. He stated that he “will appeal this case to the highest level and not allow it to leave the docket to the best of my abilities”. He is now seeking to hold this Bankruptcy case hostage with the filing of his frivolous motion for leave. Mr. Davis has already ignored at least one court issued (by the Court Clerk's office) subpoena and still has not produced any documents over a month past the deadline<sup>8</sup>. Mr. Davis has practically broken every single written and unwritten rule there is.

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<sup>8</sup> At this point, the documents are not needed anymore. The fact that he blatantly ignored a valid subpoena (and then attempted to play it off like a joke) alone warrants sanctions.

### **Conclusion**

Mr. Davis's Motion for leave should be **DENIED** with prejudice, and this Court should **GRANT** the Sanctions Motion<sup>9</sup>. Mr. Davis will inevitably appeal this Court's denial of his plethora of filings and objections, including the approval of the plan and it would cost the estate significant resources to deal with his filings/appeals, and should be enjoined from doing so, or at a *bare minimum* warned that the filing of frivolous motions/appeals will lead to him bearing the cost of the ligation he seeks to bring.

**“No more needs to be said”.**

Respectfully Submitted,

/s/*Daniel A. Frishberg*

Daniel A. Frishberg, *Pro Se*

November 8, 2023

Hillsborough County, Florida

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<sup>9</sup> I as a *pro se* individual may have (and likely did) either cited the wrong rules, failed to cite the correct one, or cited the rule in the wrong way. I ask that Your Honor issues sanctions under whatever Rule/procedure is the correct one.

Daniel A. Frishberg

Pro Se

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*,<sup>10</sup>

Debtors.

Chapter 11

Case No. 22-10964 (MG)

(Jointly Administered.)

## Affidavit Of Service

I, Daniel A. Frishberg, hereby certify that I served *Daniel A. Frishbergs' Ex Parte Motion For Sanctions* to the relevant<sup>11</sup> parties on the master list (including the parties not on the list who's emails I could find) via email.

Respectfully Signed,

Daniel Frishberg, *Pro Se*

November 8, 2023,

Hillsborough County, Florida, USA,

/s/ Daniel A. Frishberg

<sup>10</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

<sup>11</sup> For the avoidance of doubt, this includes Mr. Davis.